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THE CHESAPEAKE AND POTOMAC TELEPHONE COMPANIES

1710 H STREET, NORTHWEST

WASHINGTON, D. C. 20006

TELEPHONE AREA CODE 202 637-9900

September 2, 1970

Leonard M. Shinn, Esq.
Chief Counsel
Room 4119
Ceneral Services Administration
Building
18th and F Streets, N. W.
Washington, D. C. 20405

Dear Mr. Shinn:

Re: Surcharge Liability of GSA - Arlington and Fairfax Counties.

Mr. James F. Bauer of the General Services Administration (GSA) informs me that he is submitting to you the question of GSA's liability for surcharge amounts based on the Arlington and Fairfax license tax ordinances and billed to GSA as a local service customer in these counties.

In order to aid you in your determination, I am submitting certain papers for your consideration including materials previously sent to the Comptroller General of the United States. While most of these papers deal with the Arlington tax, we believe that the principles discussed apply equally to the Fairfax County situation. Included are the following documents:

- (a) The May 12, 1970 letter from me to the Comptroller General of the United States discussing certain Comptroller General opinions.
- (b) The February 26, 1970 letter from me to Mr. Curtis Wagner setting forth our view of the case law in the area.
- (c) A copy of Mr. Wagner's letter of 27 March 1969 to our Company setting forth the Defense Department position.

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- (d) A copy of the Arlington County Tax.
- (e) A copy of the Virginia General Regulations Tariff requiring that we surcharge certain amounts based on these taxes.
 - (f) A copy of the Fairfax County Tax.

It was these materials and ensuing informal contacts with the officials with the Comptroller General's office which persuaded the Defense Department to pay the surcharge amounts. It will be my pleasure to discuss this matter further with you if you should desire.

Sincerely yours,

Ronald J. Roessler

Attorney

RJR:mjm

Attachments